

# House File 616 - Introduced

HOUSE FILE 616

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 192)

(SUCCESSOR TO HSB 29)

## A BILL FOR

1 An Act relating to property tax credits and assessment by  
2 modifying filing deadline provisions, modifying requirements  
3 relating to property assessment notices and equalization  
4 order notices, modifying provisions relating to property  
5 assessment protests and assessor informal reviews, and  
6 including effective date and applicability provisions.  
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 426C.3, subsection 2, paragraph a, Code  
2 2015, is amended to read as follows:

3 a. (1) Claims for the business property tax credit against  
4 taxes due and payable in fiscal years beginning before July  
5 1, 2016, shall be filed not later than March 15 preceding the  
6 fiscal year during which the taxes for which the credit is  
7 claimed are due and payable.

8 (2) Claims for the business property tax credit against  
9 taxes due and payable in fiscal years beginning on or after  
10 July 1, 2016, shall be filed not later than July 1 preceding  
11 the fiscal year during which the taxes for which the credit is  
12 claimed are due and payable.

13 Sec. 2. Section 441.26, subsection 1, Code 2015, is amended  
14 to read as follows:

15 1. The director of revenue shall each year prescribe  
16 the form of assessment roll to be used by all assessors in  
17 assessing property, in this state, also the form of pages of  
18 the assessor's assessment book. The assessment rolls shall  
19 be in a form that will permit entering, separately, the names  
20 of all persons assessed, and shall also contain a notice in  
21 substantially the following form:

22 If you are not satisfied that the foregoing assessment is  
23 correct, you may contact the assessor on or after April ~~±~~ 2,  
24 to and including ~~May 4~~ April 25, of the year of the assessment  
25 to request an informal review of the assessment pursuant to  
26 section 441.30.

27 If you are not satisfied that the foregoing assessment is  
28 correct, you may file a protest against such assessment with  
29 the board of review on or after April ~~7~~ 2, to and including ~~May~~  
30 ~~5~~ April 30, of the year of the assessment, such protest to be  
31 confined to the grounds specified in section 441.37.

32 Dated: .. day of ... (month), .. (year)

33 .....

34 County/City Assessor.

35 Sec. 3. Section 441.26, subsection 2, Code 2015, is amended

1 to read as follows:

2 2. The notice in ~~1981~~ and each odd-numbered year thereafter  
3 shall contain a statement that the assessments are subject  
4 to equalization pursuant to an order issued by the director  
5 of revenue, that the county auditor shall give notice on or  
6 before October ~~15~~ 8 by publication in an official newspaper of  
7 general circulation to any class of property affected by the  
8 equalization order, that the county auditor shall give notice  
9 by mail postmarked on or before October 8 to each property  
10 owner or taxpayer whose valuation has been increased by the  
11 equalization order, and that the board of review shall be in  
12 session from October ~~15~~ 10 to November 15 to hear protests of  
13 affected property owners or taxpayers whose valuations have  
14 been adjusted by the equalization order.

15 Sec. 4. Section 441.28, Code 2015, is amended to read as  
16 follows:

17 **441.28 Assessment rolls — change — notice to taxpayer.**

18 The assessment shall be completed not later than April 1 each  
19 year. If the assessor makes any change in an assessment after  
20 it has been entered on the assessor's rolls, the assessor shall  
21 note on the roll, together with the original assessment, the  
22 new assessment and the reason for the change, together with the  
23 assessor's signature and the date of the change. Provided,  
24 however, in the event the assessor increases any assessment the  
25 assessor shall give notice of the increase in writing to the  
26 taxpayer by mail postmarked no later than April 1. No changes  
27 shall be made on the assessment rolls after April 1 except by  
28 written agreement of the taxpayer and assessor under section  
29 441.30, by order of the board of review or of the property  
30 assessment appeal board, or by decree of court.

31 Sec. 5. Section 441.30, subsections 1 and 2, Code 2015, are  
32 amended to read as follows:

33 1. Any property owner or aggrieved taxpayer who is  
34 dissatisfied with the owner's or taxpayer's assessment may  
35 contact the assessor by telephone or in writing by paper or

1 electronic medium on or after April ~~±~~ 2, to and including ~~May~~  
2 4 April 25, of the year of the assessment to inquire about the  
3 specifics and accuracy of the assessment. Such an inquiry may  
4 also include a request for an informal review of the assessment  
5 by the assessor under one or more of the grounds for protest  
6 authorized under section 441.37 for the same assessment year.

7 2. In response to an inquiry under subsection 1, if the  
8 assessor, following an informal review, determines that the  
9 assessment was incorrect under one or more of the grounds for  
10 protest authorized under section 441.37 for the same assessment  
11 year, the assessor may, on or before April 25, recommend that  
12 the property owner or aggrieved taxpayer file a protest with  
13 the local board of review and may file a recommendation with  
14 the local board of review related to the informal review, or  
15 may enter into a signed written agreement with the property  
16 owner or aggrieved taxpayer authorizing the assessor to correct  
17 or modify the assessment according to the agreement of the  
18 parties.

19 Sec. 6. Section 441.35, subsection 2, Code 2015, is amended  
20 to read as follows:

21 2. In any year after the year in which an assessment has  
22 been made of all of the real estate in any taxing district, the  
23 board of review shall meet as provided in section 441.33, and  
24 where the board finds the same has changed in value, the board  
25 shall revalue and reassess any part or all of the real estate  
26 contained in such taxing district, and in such case, the board  
27 shall determine the actual value as of January 1 of the year  
28 of the revaluation and reassessment and compute the taxable  
29 value thereof. If the assessment of any such property is  
30 raised, or any property is added to the tax list by the board,  
31 the clerk shall give notice in the manner provided in section  
32 441.36. ~~However, if the assessment of~~ If all property in any  
33 taxing district is raised revalued and reassessed, the board  
34 ~~may~~ shall, in addition to notices required to be provided in  
35 the manner specified in section 441.36, instruct the clerk to

1 give immediate notice by one publication in one of the official  
2 newspapers located in the taxing district, ~~and such published~~  
3 ~~notice shall take the place of the mailed notice provided for~~  
4 ~~in section 441.36, but all other provisions of that section~~  
5 ~~shall apply.~~ The decision of the board as to the foregoing  
6 matters shall be subject to appeal to the property assessment  
7 appeal board within the same time and in the same manner as  
8 provided in section 441.37A and to the district court within  
9 the same time and in the same manner as provided in section  
10 441.38.

11 Sec. 7. Section 441.37, subsection 1, paragraph a,  
12 unnumbered paragraph 1, Code 2015, is amended to read as  
13 follows:

14 Any property owner or aggrieved taxpayer who is dissatisfied  
15 with the owner's or taxpayer's assessment may file a protest  
16 against such assessment with the board of review on or after  
17 April 7 2, to and including ~~May 5~~ April 30, of the year of the  
18 assessment. In any county which has been declared to be a  
19 disaster area by proper federal authorities after March 1 and  
20 prior to May 20 of said year of assessment, the board of review  
21 shall be authorized to remain in session until June 15 and the  
22 time for filing a protest shall be extended to and include the  
23 period from May 25 to June 5 of such year. The protest shall  
24 be in writing and, except as provided in subsection 3, signed  
25 by the one protesting or by the protester's duly authorized  
26 agent. The taxpayer may have an oral hearing on the protest if  
27 the request for the oral hearing is made in writing at the time  
28 of filing the protest. The protest must be confined to one or  
29 more of the following grounds:

30 Sec. 8. Section 441.37, subsection 3, Code 2015, is amended  
31 to read as follows:

32 3. For assessment years beginning on or after January  
33 1, 2014, the board of review may allow property owners or  
34 aggrieved taxpayers who are dissatisfied with the owner's or  
35 taxpayer's assessment to file a protest against such assessment

1 by electronic means. Electronic filing of assessment protests  
2 may be authorized for the protest period that begins April  
3 7 2, the protest period that begins October 15 9, or both.  
4 Except for the requirement that a protest be signed, all other  
5 requirements of this section for an assessment protest to the  
6 board of review shall apply to a protest filed electronically.  
7 If electronic filing is authorized by the local board of  
8 review, the availability of electronic filing shall be clearly  
9 indicated on the assessment roll notice provided to the  
10 property owner or taxpayer and included in both the published  
11 equalization order notice and the equalization order notice  
12 mailed to the property owner or taxpayer if applicable.

13 Sec. 9. Section 441.49, subsections 2 and 4, Code 2015, are  
14 amended to read as follows:

15 2. *a.* On or before October 15 8 the county auditor shall  
16 cause to be published in official newspapers of general  
17 circulation the final equalization order. The county auditor  
18 shall also notify each property owner or taxpayer whose  
19 valuation has been increased by the final equalization order  
20 by mail postmarked on or before October 8. The publication  
21 and the individual notice mailed to each property owner or  
22 taxpayer whose valuation has been increased shall include, in  
23 type larger than the remainder of the publication or notice,  
24 the following ~~statement~~ statements:

25 Assessed values are equalized by the department of revenue  
26 every two years. Local taxing authorities determine the final  
27 tax levies and may reduce property tax rates to compensate  
28 for any increase in valuation due to equalization. If you  
29 are not satisfied that your assessment as adjusted by the  
30 equalization order is correct, you may file a protest against  
31 such assessment with the board of review on or after October  
32 9, to and including October 31.

33 *b.* Failure to publish the equalization order or to notify  
34 property owners or taxpayers of the equalization order has no  
35 effect upon the validity of the orders.

1 4. The local board of review shall reconvene in special  
2 session from October ~~15~~ 10 to November 15 for the purpose of  
3 hearing the protests of affected property owners or taxpayers  
4 within the jurisdiction of the board whose valuation of  
5 property if adjusted pursuant to the equalization order issued  
6 by the director of revenue will result in a greater value than  
7 permitted under section 441.21. The board of review shall  
8 accept protests only during the ~~first ten days following the~~  
9 ~~date the local board of review reconvenes~~ period of time from  
10 October 9, to and including October 31. The board of review  
11 shall limit its review to only the timely filed protests. The  
12 board of review may adjust all or a part of the percentage  
13 increase ordered by the director of revenue by adjusting the  
14 actual value of the property under protest to one hundred  
15 percent of actual value. Any adjustment so determined by  
16 the board of review shall not exceed the percentage increase  
17 provided for in the director's equalization order. The  
18 determination of the board of review on filed protests is  
19 final, subject to appeal to the property assessment appeal  
20 board. A final decision by the local board of review, or the  
21 property assessment appeal board, if the local board's decision  
22 is appealed, is subject to review by the director of revenue  
23 for the purpose of determining whether the board's actions  
24 substantially altered the equalization order. In making the  
25 review, the director has all the powers provided in chapter  
26 421, and in exercising the powers the director is not subject  
27 to chapter 17A. Not later than fifteen days following the  
28 adjournment of the board, the board of review shall submit to  
29 the director of revenue, on forms prescribed by the director, a  
30 report of all actions taken by the board of review during this  
31 session.

32 Sec. 10. IMPLEMENTATION OF ACT. Section 25B.2, subsection  
33 3, shall not apply to this Act.

34 Sec. 11. EFFECTIVE UPON ENACTMENT. The following provision  
35 of this Act, being deemed of immediate importance, takes effect

1 upon enactment:

2 1. The section of this Act amending section 426C.3.

3 Sec. 12. APPLICABILITY. Except for the section of this Act  
4 amending section 426C.3, this Act applies to assessment years  
5 beginning on or after January 1, 2016.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with  
8 the explanation's substance by the members of the general assembly.

9 This bill relates to property tax credits and assessment  
10 by modifying filing deadline provisions, modifying provisions  
11 relating to property assessment notices and equalization order  
12 notices, and by modifying provisions relating to property  
13 assessment protests and assessor informal reviews.

14 Current Code section 426C.3 requires claims for the business  
15 property tax credit to be filed not later than March 15  
16 preceding the fiscal year during which the taxes for which the  
17 credits is claimed are due and payable. The bill provides that  
18 claims for the business property tax credit against taxes due  
19 and payable in fiscal years beginning on or after July 1, 2016,  
20 shall be filed not later than July 1 preceding the fiscal year  
21 during which the taxes for which the credit is claimed are due  
22 and payable.

23 Current Code section 441.30 allows a property owner or  
24 taxpayer to contact the assessor to inquire about the specifics  
25 and accuracy of the assessment and to request an informal  
26 review of the assessment on or after April 1 to and including  
27 May 4 of the assessment year. The bill modifies that period  
28 of time to be on or after April 2 to and including April 25.  
29 The bill also authorizes a change to the assessment on or  
30 before April 25 if the owner or taxpayer enters into a written  
31 agreement with the assessor. This authority is in addition  
32 to the assessor's current authority to recommend that the  
33 taxpayer file a protest with the local board of review and file  
34 a recommendation in regards to such a protest.

35 The bill also modifies the period of time for filing an

1 assessment protest with the local board of review from the  
2 current April 7 to May 5, to a period of time beginning April 2  
3 to and including April 30.

4 Current Code section 441.26 requires notices of equalization  
5 orders to be published in the newspaper on or before  
6 October 15. The bill modifies the publication deadline for  
7 equalization order notices to October 8 and requires that  
8 individual notices be mailed by October 8 to each owner or  
9 taxpayer whose valuation has been increased by the equalization  
10 order. The bill provides that the notice shall contain the  
11 statement currently required in published notices and amends  
12 Code section 441.49 to also require that the notice contain a  
13 statement of the owner's or taxpayer's ability to file with the  
14 local board of review a protest against an assessment adjusted  
15 by the equalization order.

16 The bill also amends Code section 441.49 to modify the  
17 period of time for taxpayer protests of an equalization order  
18 and the dates of the local board of review's session to hear  
19 such protests. Current law allows such protests to be filed  
20 on or after October 15, to and including October 25. The bill  
21 makes the period of time for filing a protest from October 9 to  
22 October 31. The bill changes the dates during which the local  
23 board is in session to hear assessment protests resulting from  
24 equalization orders to be October 10 to November 15 (previously  
25 October 15 to November 15).

26 Code section 441.35, subsection 2, also authorizes the local  
27 board of review to provide notice to taxpayers by publication  
28 in one of the official newspapers located in the taxing  
29 district if the local board of review raises the assessment  
30 of all property in a taxing district during the local board  
31 of review's session in an even-numbered assessment year.  
32 The bill modifies this provision to require, in addition to  
33 individual owner or taxpayer notices, notice by publication if  
34 all property in the taxing district is revalued and reassessed.

35 The bill amends Code section 441.37 to require individual

1 assessment notices and published notices resulting from an  
2 equalization order to include information on the availability  
3 of electronic filing of protests if electronic filing is  
4 authorized by the local board of review.

5 The bill may include a state mandate as defined in Code  
6 section 25B.3. The bill makes inapplicable Code section 25B.2,  
7 subsection 3, which would relieve a political subdivision from  
8 complying with a state mandate if funding for the cost of  
9 the state mandate is not provided or specified. Therefore,  
10 political subdivisions are required to comply with any state  
11 mandate included in the bill.

12 The section of the bill amending Code section 426C.3 takes  
13 effect upon enactment.

14 Except for the section of the bill amending Code section  
15 426C.3, the bill applies to assessment years beginning on or  
16 after January 1, 2016.